This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (currently amended): A method of conducting a customer affinity program auction, comprising:

receiving a bid of reward points from a customer <u>using a computer terminal</u> for merchandise being offered in the auction.

- 2. (original): The method of claim 1, further comprising: receiving registration information from the customer.
- 3. (original): The method of claim 2, wherein the customer registration information includes payment information.
- (original): The method of claim 1, further comprising:
 providing a preview of the merchandise being offered in the auction.
- (original): The method of claim 1, further comprising
 authenticating the customer; and
 allowing the customer to access a reward points balance.
- 6. (original): The method of claim 5 further comprising allowing the customer to purchase additional reward points for use in the auction.
- 7. (original): The method of claim 6, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.

- 8. (original): The method of claim 7 further comprising determining a cost for the reward points purchased and transmitting a request for payment for the cost of the reward points.
- 9. (original): The method of claim 6, further comprising allowing a purchase of reward points on a floating basis.
- 10. (original): The method of claim 1, further comprising:deducting reward points expended in the auction from a reward points balance.
- 11. (original): The method of claim 9, further comprising:

determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.

- 12. (original): A customer affinity program auction system, comprising:
- a central controller constructed to receive a bid of reward points from a customer for merchandise being offered in the auction.
- 13. (original): The system of claim 12, further comprising:

the central controller is constructed to receive registration information from the customer.

14. (original): The system of claim 13, wherein the customer registration information received by the central controller includes payment information.

15. (original): The system of claim 12, further comprising:

the central controller is constructed to provide a preview of the merchandise being offered in the auction.

16. (original): The system of claim 12, further comprising

the central controller is constructed to authenticate the customer and allow the customer to access a reward points balance.

17. (original): The system of claim 16 further comprising

the central controller is constructed to allow the customer to purchase additional reward points for use in the auction.

- 18. (original): The system of claim 17, wherein the central controller is constructed to allow the customer to purchase a specific number of reward points at an exchange rate.
- 19. (original): The system of claim 18 further comprising the central controller is constructed to determine a cost for the reward points purchased and transmits a request for payment for the cost of the reward points.
- 20. (original): The system of claim 17, wherein the central controller is constructed to allow the customer to purchase reward points on a floating basis.
- 21. (original): The system of claim 12, further comprising:

the central controller is constructed to deduct reward points expended in the auction from a reward points balance.

22. (original): The system of claim 20, further comprising:

the central controller is constructed to determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.

23. (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to receive a bid of reward points from a customer for merchandise being offered in the auction.

- 24. (original): The computer executable code of claim 23, further comprising: a module to receive registration information from the customer.
- 25. (original): The computer executable code of claim 24, wherein the customer registration information includes payment information.
- 26. (original): The computer executable code of claim 23, further comprising:

 a module to provide a preview of merchandise being offered in the auction.
- 27. (original): The computer executable code of claim 23, further comprising a module to authenticate the customer; and a module to allow the customer to access a reward points balance.
- 28. (original): The computer executable code of claim 27 further comprising
 a module to allow the customer to purchase additional reward points for use in the auction.

- 29. (original): The computer executable code of claim 28, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.
- 30. (original): The computer executable code of claim 29 further comprising a module to determine a cost for the reward points purchased and a module to transmit a request for payment for the cost of the reward points.
- 31. (original): The computer executable code of claim 28, further comprising allowing a purchase of reward points on a floating basis.
- 32. (original): The computer executable code of claim 23, further comprising:

 a module to deduct reward points expended in the auction from a reward points balance.
- 33. (original): The computer executable code of claim 31, further comprising:

 a module to determine a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and a module to transmit a request for payment for the cost of the reward points.
- 34. (original): A method of conducting a customer affinity program auction comprising:

 determining a minimum opening bid price by applying an auction pricing

 discount factor in reward points based on the merchandise being auctioned and the time period of the auction.
- 35. (original): The method of claim 34, further comprising: determining a bid increment.

36. (original): A customer affinity program auction system comprising:

a central controller constructed to determining a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.

- 37. (original): The system of claim 36, further comprising:
 the central controller is constructed to determine a bid increment.
- 38. (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.

- 39. (original): The computer executable code of claim 38, further comprising: a module to determine a bid increment.
- 40. (currently amended): A method of conducting a customer affinity program auction comprising:

receiving a bid in cash from a customer <u>using a computer terminal</u> for merchandise being offered in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

41. (original): The method of claim 40, further comprising: receiving registration information from the customer.

- 42. (original): The method of claim 41, wherein the customer registration information includes payment information.
- 43. (original): The method of claim 40, further comprising:

 providing a preview of the merchandise being offered in the auction.
- 44. (original): The method of claim 40, further comprising authenticating the customer; and allowing the customer to access a reward points balance.
- 45. (original): The method of claim 40 wherein the reward points are converted to a cash value using an exchange rate.
- 46. (original): A customer affinity program auction system, comprising:

a central controller constructed to receive a bid in cash from a customer for merchandise being offered in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

- 47. (original): The system of claim 46, further comprising:
- the central controller is constructed to receive registration information from the customer.
- 48. (original): The system of claim 47, wherein the customer registration information includes payment information.

49. (original): The system of claim 46, further comprising:

the central controller is constructed to provide a preview of the merchandise being offered in the auction.

50. (original): The system of claim 46, further comprising

the central controller is constructed to authenticate the customer and allow the customer to access a reward points balance.

- 51. (original): The system of claim 46 wherein the central controller is constructed so that the reward points are converted to a cash value using an exchange rate.
- 52. (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to receive a bid in cash from a customer for merchandise being offered in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

- 53. (original): The computer executable code of claim 52, further comprising: a module to receive registration information from the customer.
- 54. (original): The computer executable code of claim 53, wherein the customer registration information includes payment information.

- 55. (original): The computer executable code of claim 52, further comprising:

 a module to provide a preview of the merchandise being offered in the auction.
- 56. (original): The computer executable code of claim 52, further comprising a module to authenticate the customer; and `a module to allow the customer to access a reward points balance.
- 57. (original): The computer executable code of claim 52 wherein the module converts reward points to a cash value using an exchange rate.